### **CHAPTER NO. 844**

#### **HOUSE BILL NO. 1266**

# By Representative Wood

Substituted for: Senate Bill No. 820

## By Senator Fowler

AN ACT to amend Tennessee Code Annotated, Section 71-5-105, relative to certificates of need.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The fiscal review committee is directed to study:

- (1) The need for placement of additional beds at private community-based, notfor-profit ICF/MR facilities;
- (2) Current rates for payment of costs in ICFs/MR and whether current methodology and procedures to establish such rates are appropriate and adequate to insure the lowest and most cost-effective services;
- (3) Administrative oversight of ICFs/MR facilities to assess adequacy of control to insure cost-effective service delivery and appropriate programmatic quality control; and
- (4) The role of ICFs/MR in the overall system of services and supports, including admissions and discharges;

and to make appropriate legislative proposals to implement any recommendations the committee determines to be beneficial to the state of Tennessee and its citizens.

The committee shall specifically consider the necessity of adding beds to certain facilities in light of the costs of such additions. The committee shall also study whether additional capacity should be added to other forms of housing such as supported living and the effects of changes on developmental disability centers.

- SECTION 2. The departments of health and mental health and developmental disabilities and the division of mental retardation services shall provide assistance to the fiscal review committee upon request of the chair.
- SECTION 3. The fiscal review committee shall timely report its findings and recommendations, including any proposed legislation or interim reports, to the One Hundred Third General Assembly no later than February 15, 2003.
- SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: June 24, 2002

JIMMY NAIFEH, SPEAKER HOUSE OF REPRESENTATIVES

> JOHN S. WILDER SPEAKER OF THE SENATE

APPROVED this 3<sup>rd</sup> day of July 2002

DON SONDQUIST GOVERNOR